

Honolulu, Hawaii

FEB 16 2024

RE: S.B. No. 2859
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Second State Legislature
Regular Session of 2024
State of Hawaii

Sir:

Your Committees on Water and Land and Commerce and Consumer Protection, to which was referred S.B. No. 2859 entitled:

"A BILL FOR AN ACT RELATING TO LAND COURT,"

beg leave to report as follows:

The purpose and intent of this measure is to simplify and streamline the operation of the Land Court by authorizing the use of a master certificate of title for common interest communities.

Your Committees received testimony in support of this measure from the Community Associations Institute and one individual.

Your Committees received testimony in opposition to this measure from two individuals.

Your Committee received comments on this measure from the Department of Land and Natural Resources.

Your Committees find that under the current land court system, any amendment to the documents governing a condominium or planned community must be noted on the certificate title of each unit. Authorizing the use of a master certificate of title that lists encumbrances of general application will permit certificates of title for individual units to incorporate by reference the encumbrances on the master certificate of title. This measure eliminates the need to change the certificate title for each unit



to reflect any changes in the encumbrances of general application to the condominium or planned community.

Your Committees heard testimony from the Department of Land and Natural Resources that implementing this measure unamended would duplicate the effort of the Bureau of Conveyance and Land Records Management System and would require extensive staff resources that are already strained as these agencies already support a process similar to the "master certificate of title" proposed by this measure.

Accordingly, your Committees have amended this measure by:

- (1) Clarifying that the name of the owner on a master certificate of title shall be determined by the assistant registrar and will incorporate the name of the new common interest community;
- (2) Deleting language that would have authorized the assistant registrar to establish a property identification number or other alternate means of identifying identical units;
- (3) Deleting language relating to existing common interest communities, thereby limiting this measure to new common interest communities;
- (4) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Water and Land and Commerce and Consumer Protection that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2859, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2859, S.D. 1, and be referred to your Committee on Judiciary.



Respectfully submitted on
behalf of the members of the
Committees on Water and Land
and Commerce and Consumer
Protection,



JARRETT KEOHOKALOLE, Chair



LORRAINE R. INOUYE, Chair



The Senate
 Thirty-Second Legislature
 State of Hawai'i

Record of Votes
 Committee on Water and Land
 WTL

Bill / Resolution No.:* SB 2859	Committee Referral: WTL/CPN, JDC	Date: 2-15-2024
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The Committee is reconsidering its previous decision on this measure.
 If so, then the previous decision was to: _____

The Recommendation is:

<input type="checkbox"/> Pass, unamended 2312	<input checked="" type="checkbox"/> Pass, with amendments 2311	<input type="checkbox"/> Hold 2310	<input type="checkbox"/> Recommit 2313
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Members	Aye	Aye (WR)	Nay	Excused
INOUE, Lorraine R. (C)	✓			
ELEFANTE, Brandon J.C. (VC)	✓			
CHANG, Stanley				✓
MCKELVEY, Angus L.K.	✓			
FEVELLA, Kurt				✓
TOTAL	3	ϕ	ϕ	2

Recommendation: Adopted Not Adopted


Chair's or Designee's Signature: 

Distribution: Original Yellow Pink Goldenrod
 File with Committee Report Clerk's Office Drafting Agency Committee File Copy

***Only one measure per Record of Votes**

The Senate
 Thirty-Second Legislature
 State of Hawai'i

Record of Votes
Committee on Commerce and Consumer Protection
CPN

Bill / Resolution No.:* SB2859	Committee Referral: WTL/CPN/JDC	Date: 2/15/24		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
KEOHOKALOLE, Jarrett (C)	✓			
FUKUNAGA, Carol (VC)	✓			
MCKELVEY, Angus L.K.	✓			
RICHARDS, III, Herbert M. "Tim"	✓			
AWA, Brenton	✓			
TOTAL	5			
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

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